Textile Policy of the Government of Maharashtra, for the year – 2011 – 2017.

Government of Maharashtra,
Cooperation, Marketing & Textiles Department,
Government Resolution No. Policy-2011/C.R.335/TEX-2.
Mantralaya, Mumbai- 400 032.
Date :- 2nd January, 2012.

Read :- Government of India, Textile Ministry, Government Resolution No.6/5/2011- TUFS, dt. 28th April, 2011.

Introduction. :-

The Central Government announced its revised textiles policy in the year 2000. Thereby an opportunity has been given for taking necessary measures to develop the textile sector in the country, and for the States to expand/develop industries affiliated to manufacturing of textiles. In order to avail benefits of the Central Government's policy, some other States of the Country have announced independent policies for their State. In 2006 the current industrial policy of the State was announced, wherein an assurance was given that an independent, comprehensive policy would be prepared for textiles industries which play an important role in the States economic development. Textile industry is second only to agriculture in importance. It has the capacity to create the maximum jobs/employment after agriculture. The object of the policy is to lay special emphasis on raising processing units at various levels from cotton to manufacturing textiles for the assured long term development on priority basis in the cotton producing sector, expansion of the textile industry and growth of employment in the State. The aim of the

policy is to attract a total investment of Rs. 40,000/- Crores in the sector for the purpose of adding value to 45 lakh surplus cotton bales produced in the State. It is proposed to create 11 lakh new jobes in the State in next five years in the sector. During last three years Meetings/seminars have been held at different levels and the suggestions received have been considered while formulating the textile policy of the State. The proposal to announce the new textile policy was under consideration of the Government.

Government Resolution. :-

The Government hereby gives its approval to the new textile Policy of the State for 2011-2017.

1. **Cooperative Spinning Mills.** :-

a] New cooperative spinning mills in Vidarbha/Marathwada and North Maharashtra will be given equity support as per the existing financial pattern (5 : 45 : 50)

b] New Cooperative Spinning Mills in Talukas where government has already given equity support for setting up of Cooperative Spinning Mills shall not be eligible for the assistance as per 5 : 45 : 50 pattern.

2.**Powerlooms/Warping/Weaving/Sizing/Dyeing/Printing/Garmenting/Knitting Units etc.:-**

a] Considering giving subsidies in order of merit to projects of cooperative societies of shuttle less powerlooms /warping /sizing /yarn dyeing

/dyeing /processing / garmenting etc. as per the present financial pattern (10 : 40 : 50) and according to availability of funds.

b] Scheme to give subsidies to the cooperative powerlooms units/bodies of Scheduled Castes, Tribes and Minority Communities according to the following pattern viz. own share capital, Government Share Capital and Loan 5:45:50 instead of 10:40:50 will be considered in consultation with the concern Departments. Said additional 5% Government share capital will be made available from the concern Departments.

c] Assistance in the form of success fee shall be given to professional agencies for the preparation, submission and sanction of modernization project from the banks and financial institutions for existing powerloom of S.C./S.T./Minorities. Separate orders will be issued in consultation with the concerned department.

d] For modernization of powerloom units of Scheduled Castes, Scheduled Tribes and Minorities, sanctioned by Bank's a scheme to give 10% capital subsidy of the capital investment [i.e. 10% of the permissible investment for the purpose of interest subsidy for projects which are approved in TUFS] on machinery, besides the concessions received from other sources, by such units will be framed in consultation with the concern Departments.

The allocation in respect of item [c] & [d] above will be made available from the concern Departments allocation.

3. **Scheme of interest subsidy on long-term loans linked to centrally sponsored TUF Scheme:-**

a] Interest subsidy on long term loan linked to centrally sponsored TUFS will be started for New Textile project as well as modernization/expansion/rehabilitation project of existing textile units. In this respect orders will be issued separately.

b] Orders regarding interest subsidy for Textile Park will be issued separately.

4. **10% capital subsidy to units in Vidarbha, Marathwada and North Maharashtra.**

10% capital subsidy scheme will be started for new textile project in Vidarbha, Marathwada and North Maharashtra.

The orders regarding nature of the scheme, eligibility conditions, eligible units and modality of release of subsidy of the scheme at Sr.No.4 above will be issued separately.

5. To consider giving financial assistance with the concurrence of the concern Department for setting up of textile par ks under the special component scheme and Tribal Development Sub Plan for the Districts having lower human development index.

6. Skilled workers are needed to use higher technology in the textile sector. The Skill Development Programme with the help of the Higher and Technical Education Department will be implemented for this purpose.

7. Implementing with the help of concern Departments "Gharkul"[housing] scheme, health insurance scheme, worker's welfare scheme etc. for powerloom workers in the textile sector.

8. To review and modity various regulatory provisions of labour and environmental laws, which adversely affect growth of textile sector. For this purpose separate Committee will be set up under the Chairmanship of Principal Secretary with representatives from Labour & Environmental Department.

By order and in the name of the Governor of Maharashtra.

[R. M. Ade]
Under Secretary to the Government of Maharashtra.

Copy to :-

Secretary to the Governor.
Principal Secretary to the Hon'ble Chief Minister, Mantralaya, Mumbai.
All Hon'ble Ministers [through Private Secretaries], Mantralaya, Mumbai.
Chief Secretary, Government of Maharashtra. Mantralaya, Mumbai.
All Additional Chief Secretaries/Principal Secretaries/Secretaries, Mantralaya, Mumbai.
All Mantralaya Departments.
All Divisional Commissioners.
All Collectors.
Director [Textile Industries], Directorate of Textile Industries, Nagpur.

Director General, Directoraate of Information & Publicity, Mantralaya, Mumbai.
Accountant General, Accounts and Admissibility, Maharashtra-1, Mumbai.
Accountant General, Audit, Maharashtra-1, Mumbai.
Accountant General, Accounts and Admissibility, Maharashtra-2, Mumbai.
Accountant General, Audit, Maharashtra-2, Mumbai.
All Regional Deputy Director of Textile.
Selection File [TEX-2].